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001-1913
11/13/13

Donald G. Long
14 Sunrise Point Court
Lake Wylie, SC 29710

November 14, 2013

Referring to Docket No. 2013-275-WS
Order No. 2013-773

Jocelyn Boyd, Esquire
Chief Clerk and Administrator
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, SC 29211

Dear Ms. Boyd,

This letter is in regard to PSC Docket No. 2013-275-WS, Order No. 2013-773, a Public Service Commission of South Carolina (PSC) Commission Directive regarding the Application of Carolina Water Service, Inc. for adjustment of rates and charges, and for modifications of certain terms and conditions for the provision of water and sewer service in the Lake Wylie area in York County, South Carolina...

This communication is in response to Commission Order No. 2013-773 dated October 23, 2013 which recorded actions responding to requests made by me to the PSC by letter dated October 10, 2013...

In this communication, as in the prior one, I am representing in part or in whole the following entities in the capacities noted:

- 1.) Myself as a citizen of South Carolina, a resident of Lake Wylie, and a customer of Carolina Water Service, Inc. (CWS);
- 2.) The Board of Directors and the Membership of the Lake Wylie Civic Association, Inc. (LWCA). I am currently a member of the Board elected by the membership and Vice President of the Board. The LWCA, in turn, represents eleven (11) homeowner's associations in the Lake Wylie area which are comprised of over 3,050 single family residences, and which have a population of over 6,550 individuals, the great majority of whom are served by CWS. ;
- 3.) The Board of Directors and the Membership of the Lake Wylie Chamber of Commerce, Inc. (LWCC). I am currently an elected member of the Board and its Vice Chairman. The LWCC counts in its Membership over 350 businesses in and around the immediate Lake Wylie area, most of which are served by CWS; and
- 4.) The Board of Directors and the Membership of the River Hills Community Association, Inc. (RHCA). I am currently a member of the Board elected by the membership and Vice President of the Board elected by the Board. The RHCA counts in its Membership the owners of 1,058 residential properties located within Lake Wylie, SC, all of which are currently served by CWS...

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RETURN DATE: 11/14/13
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In these capacities, I previously communicated several requests, questions, and comments related to the Hearing Date and location(s), and to the associated dates related to the notification requirements for persons wishing to intervene, testify, or simply be notified of any change in the hearing date; to my individual status and participation in the hearing(s); to the content of the cover letter from Utilities, Inc. under which the PSC's Notice of Filing and Hearing was sent; and to the content of the PSC's Notice of Filing and Hearing...

These requests, questions, and comments were not intended to relate to the justification or lack thereof of the specific rates and other provisions requested by Utilities, Inc. and/or CWS in their application... Rather, they dealt with the way(s) in which the requests were presented and the way in which CWS's requests are, presumably, to be heard and be decided upon by the PSC...

In general, I was very disappointed in the PSC's responses... I do appreciate the timely nature of the responses, although it took the USPS nearly a week to get them to me, resulting in the delay in this further communication... This letter provides comments on the PSC's responses and actions regarding my original letter...

1.) Regarding hearing date(s):

- While I understand that there need to be some limits on the duration of the hearing process, it's unfortunate that times of year and conflicting activities within the community involved have no standing with the PSC regarding when hearings are scheduled... I would respectfully suggest that the PSC should be, within reasonable boundaries, in control of when hearings are held, and that the PSC should be asking the Legislature, to the extent that they control such, to provide more flexibility in this regard... Otherwise, the result is, as in this case, a hearing schedule entirely within the major holiday season of the year, and which conflicts with other major issues being considered in the community...

The current rules encourage applicants to time their applications such that they fall at the most inconvenient times for the public, in order to get the least attention possible especially when the application may be somewhat contentious... While citizen inattention and lack of participation may, by accident or intent, serve the interests and strategy of an applicant in a rate case, they rarely, if ever, serve the public interest...

I continue to believe it is incumbent on the PSC as the representative of the people and on Utilities, Inc. as a service provider in the Lake Wylie area to give a high level of consideration to the lives of and to the local economic and other situations affecting the citizens of Lake Wylie who are impacted by the proposed substantial rate increase...

2. Regarding the filing dates for intervening, testifying and presenting evidence, and requesting notification of change of hearing dates:

- I had requested that the filing dates for intervening, testifying, and presenting evidence be extended... You make the unsupported contention that, since CWS provided an affidavit that the Notice of Filing and Hearing was sent of September 27, 2013, the customers had "sufficient" time to determine and communicate their desire to intervene...

First, the mailing date (September 27, 2013) was on a Friday (probably by design late Friday) which meant that delivery probably didn't take place until, on average, sometime mid to late the following week... As I said in my previous communication, there were customers who still hadn't received the notice as of October 10, 2013 due, presumably, to the vagaries of the USPS, to which your schedules give no credence, but to which the applicant pays homage...

Second, I would offer an equally unsupported contention that, if the date had been November 1, 2013 or even November 15, 2013, the PSC, as a servant of the people would have had "sufficient" time to handle the requests... I would respectfully suggest that you review the meaning of the word "Service" which appears in both "Carolina Water Service" and "Public Service Commission"...

3. Regarding hearing location(s):

- We very much appreciate your providing a night hearing on December 12, 2013 in Lake Wylie... The "Notice of Public Night Hearing", however, specified the wrong location for the hearing... My understanding from Dick Meier, the River Hills Community Church Business Manager, is that the hearing will be held in the River Hills Community Church Life Center which is a separate building across a public road from the Church and with a different address i.e. 103 Hamilton's Ferry Road, Lake Wylie, SC 29710... For confirmation, Mr. Meier can be reached at River Hills Community Church; 104 Hamilton's Ferry Road; Lake Wylie, SC 29710; 803-831-1615; email churchoffice@rhcconline.org; Attn: Dick Meier, Business Manager...

4. Regarding my personal participation and status in the hearings:

- Your Order 2013-773 dated October 23, 2013 indicated that "it is unclear to the Commission as to whether he (Mr. Long) desires to be an intervenor..."...

I received a letter from the Public Service Commission dated October 15, 2013 and signed by Daphne B. Duke, Information Resource Consultant, informing me that my Petition to Intervene had been received and that I had been made a Party of Record, i.e. been accepted as an intervenor...

I don't understand why my status is unclear...

5. Regarding the content of the cover letter from Utilities, Inc. under which the PSC's Notice of Filing and Hearing was sent:

- While your recognition of the inappropriate nature of the Utilities, Inc. cover letter on the Notice of Filing and Hearing is gratifying, your action regarding the administrative order is an inadequate band-aid... You should specify the totality of the text of any cover letter, not just put a "Surgeon's Warning" on them... The cover letter, while paid for by the applicant, should in fact be a simple communication from the PSC stating that the utility "has applied for an adjustment of rates as covered by the enclosed Notice of Filing and Hearing"... The PSC should take appropriate control and put in place a rule to this effect since none apparently exists today...

The net of all this is that the PSC should, regarding future applications, cause a "clean" Notice to be sent out, at applicant expense, with a cover letter on PSC letterhead, so that the intent and content of the communication are clear and unbiased...

6. Regarding the content of the PSC's Notice of Filing and Hearing:

- I indicated in my note that "A citizen should be able to come to the public hearing and be able to speak simply by signing up at the place of the hearing", and not have to endure the time-consuming and off-putting process specified by the Notice of Filing and Hearing... While you note in your response that this is, in practice, possible, the Notice of Filing and Hearing doesn't include that option...

- I indicated that in no case is the percentage of the requested increase specified... Since this is a very meaningful number for most citizens, it should be specified in all cases... Your response was that this "would significantly add to the costs..."... I didn't realize that the calculation of a percentage with a modern calculator took that long...

- I indicated that there is no indication that the financial statements included in Exhibit "B" of the Application are audited statements, so presumably they are not... Your response was that this "would significantly add to the costs..."... Since the un-audited nature of the statements makes them, at best, suspect, and, at worst, useless in evaluating the appropriateness of the rate increase request, why provide them at all? Eliminating them entirely would save "cost"... Audited statements are fundamental to meaningful evaluation of the rate adjustment request... Not to have them does damage to the credibility of both the applicant and the PSC... For the PSC not to insist on this shows a basic disregard of the significance of the whole process...

7. Regarding the time allowed for statements by citizens at the public hearings:

According to the "Notice of Public Night Hearing" dated 10/31/13, and received here on 11/08/13, "Individuals shall be permitted a maximum of three (3) minutes for oral presentations."... If this were a period set aside before a regular PSC meeting for casual public comments or questions, I would not object to the miniscule time allotted, as it is not central to the purpose of the meeting... This, however, is supposed to be a Public Hearing wherein the Public is given adequate time to be heard on an issue of sufficient importance to justify such a hearing... A citizen unaccustomed to public speaking will take nearly that much time to read this paragraph into the record, let alone make an extemporaneous set of comments of similar length about a complex issue...

In my opinion, the PSC placing such a limit on public testimony:

- Shows disdain for the value of public opinion...
- Makes it virtually impossible to express a substantive reaction or reactions to an issue as complex as an application for adjustment of water and sewer rates...
- Renders the Public Hearing process useless... It becomes nothing more than window dressing so the PSC can get a statutory check mark in the required box...
- Conflicts with the original Notice of Filing and Hearing which does not specify such a limitation, and, in fact, asks an individual indicating a desire to testify to specify the time required for their presentation...

8. Regarding organizational representation requirements:

Requiring an organization to be represented by a lawyer seems to violate the rights of an organization which may have an individual or collective interest in the matter at hand:

- Some organizations are individual customers of CWS, and, as such, have an interest in the terms of the proposed adjustment... Surely they can be represented by an owner or officer, or by a Board Member elected by the owners (shareholders) and appointed or elected to this task...

- Some organizations such as the Chamber of Commerce elect a Board and expect the Board and officers of the organization to represent them in such matters... Not to allow this seem to violate the intent and rights of the membership...

- An attorney will often not have background in rate adjustment issues and may not do nearly as good a job of representing the organization as an officer or board member with the appropriate experience...

- Board members, individually or collectively, represent organizations to the "outside world" frequently in contractual arrangements, sponsored events, public announcements, press releases, etc. It seems silly to be required to contribute to the Lawyer's Welfare Fund for such representation, when no positive purpose is served by the substantial expense of doing so... And we wonder why non-profit volunteer organizations are on the wane in our society...

-Can I assume that I am able to "report" on the actions of an organization of which I am an officer and/or board member when instructed to do, e.g. "The Board of Directors of XYZ unanimously opposes..."?

In summary:

I request that the items above be reconsidered, particularly including:

- the nature of the financial information provided by the applicant for public scrutiny;
- the content of the cover letter associated with the Notice of Filing and Hearing;
- the scheduling of public hearings during holiday periods; and
- the time allowed for individual public comment during a hearing...

Thank you for your timely consideration and attention to the preceding requests...

Sincerely,

A handwritten signature in black ink, appearing to be a stylized name, possibly "M. J. [unclear]".